

**Board of Education
Newtown, Connecticut**

Minutes of the Board of Education meeting on February 11, 2014 at 6:00 p.m. in the Reed Intermediate School Library.

D. Leidlein, Chair	J. Reed
L. Roche, Vice Chair	L. Gejda
K. Hamilton, Secretary	R. Bienkowski
K. Alexander	2 Public
J. Vouros	2 Press
D. Freedman	
M. Ku	

Mrs. Leidlein called the meeting to order at 6:07 p.m.

Mrs. Roche questioned why there was no public participation on the agenda
Mr. Alexander thought normally it's not on the agenda for special meetings.

MOTION: Mrs. Roche moved to go into executive session to interview the candidate for the Interim Principal of Newtown High School and invited Dr. Reed, Dr. Gejda and Jeff Jaslow.
Mr. Freedman seconded. Motion passes unanimously.

Item 1 – Executive Session

The Board interviewed the candidate.

Item 2 – Public Session

MOTION: Mrs. Roche moved that the Board of Education appoint Jeffrey Jaslow Interim Principal of Newtown High School to begin February 19, 2014. Salary will be on a per diem basis according to the administrators' contract. Mr. Vouros seconded. Motion passes unanimously

Item 3 – Discussion and Possible Action on Security Budget

Mrs. Leidlein addressed a question from Ms. Hamilton regarding the document which didn't agree with what was in the budget book.

Dr. Reed said he had given out an update on security to Board of Education members only that was incorrect. The numbers in the budget from the previous meeting were correct.

Ms. Hamilton said the budget stated that for the current year we have eight security staff and the note says six guards are under the SERV Grant and four from the DOJ Grant. She asked if that was ten plus eight for the current year.

Mr. Bienkowski that was correct with 18 guards.

Ms. Hamilton asked what the total number would be for the 2014-2015 school year.

Dr. Reed stated there were 14 security guards to provide for the operating budget. When the 14 were proposed we already had three for a total of 17 for this year plus the Director of Security position. The confusion is what was to be charged to the operating budget and what was to the grants.

Ms. Hamilton would rather see the total number.

Mr. Bienkowski provided a document comparing Board of Education security staff and Newtown Police in our schools from 2010-2011 through the 2014-2015 school year. We don't have a number from the Monroe Police Department at Sandy Hook School for next year as that has not been determined.

Ms. Hamilton questioned why there were two security guards at each elementary school except for Sandy Hook, which only has one.

Dr. Reed said that was because was because of the Monroe Police.

Bob Tait told him the Town has been notified by the auditor that he can set up a fund for \$511,000 for the Board of Education to draw from for future needs. That money could be available if we ran into future problems with grant funding. Mr. Tait also doesn't feel we need a resolution tonight.

Below is Mrs. Llodra's letter.

Good morning.

I understand that the BoE is meeting this evening to discuss security. Just a few thoughts here for your consideration if that is the case.

First of all, I understand your anxiety about where in the town or education budget security items will be represented. I have the same anxiety. I believe we have the same goal, that is to develop and fund the right and best plan for safety in our schools. I have confidence in the outcome of that effort for security knowing that we all are committed to same good end result. However, I am concerned that our process for getting to that end is fracturing. To any extent i have contributed to that fracture i am sorry.

As you know, I have supported from the outset the notion that items related to security would be documented separately by the BoE and BoS and then discussed collaboratively with the BoF and/or LC to resolve the question about where the funding for those items should reside. My position remains that it is a shared responsibility (education and municipal) as some items make more sense to be in the education budget and other costs should be borne by the BoS budget. You may not agree with that statement but I feel strongly in the power of a partnership for security in schools.

So I ask again that you please wait until we can discuss these issues in true collaboration as our budgets come together at the BoF level. I know full well that you (BoE and superintendent) want to be at the table when these decisions are made - as you should be. The same holds for the BoS. We should have the opportunity to be engaged in that discussion before decisions are made that affect our budget. I anticipate that we might take on significant and appropriate funding responsibility - i have no problem with that. So, let's talk together and lets involve the BoF and/or LC. I value the role these other boards can play.

Also, there is a benefit in having those leaders engage - it ups their commitment to the outcome and begins to set the stage for the long term planning we need to do.

I am interested in your thoughts on this. I am traveling today but will check my email frequently.

Please share this in full text prior to the meeting tonight with every member of the BoE. I am copying the BoS, the chair of BoF and chair of LC.

Pat

Dr. Reed read the following possible motion.

Move that the Board of Education adopt a security budget for personnel and arming equipment in the amount of \$540,562 with the acknowledgement that \$324,525 of this request is in the Board of Education's adopted budget above and that the district has applied for \$209,024 in potential offsets through the SERV Grant and DOJ Victims Grant program impacting the 2014-2015 school year.

The Board's action assumes a partnership with the First Selectman and the Board of Selectman pertaining to future funding of this program based upon the recognition that dollars for armed police protection at our schools is currently provided from within the Selectman's budget. The proposed program for armed school safety officers will be more cost effective than the current practice and the Board of Education believes that future costs for the SSO program should, in some way, be paid for by funds currently allotted for police officers in our elementary schools.

Dr. Reed used the example of when Parks and Rec took over maintaining the school fields from the Board of Education. All of the money for their functions in the Board of Education budget was transferred to Parks and Rec.

Ms. Hamilton said that the motion read does not represent my views about this situation. Security is necessary and she doesn't think it matters where it goes. A decision has been made to follow the North Branford model for SSOs for security in our schools. That model is the SSOs will report to the school district but have training through the police department. As far as paying for the SSOs, whoever is in charge of managing the program should be the ones paying for the program. If we want to add an SSO, she doesn't want an issue regarding how it will be funded. If we take on the program, we should pay for it and manage the whole piece.

Dr. Reed's recommendation is to take no further action at this time. People need to see how this will be cooperatively developed. If grants come in short we need to know who will be paying the next year which should be the Town. He believed that Mrs. Llodra's letter addresses this cooperative responsibility in a very positive fashion.

Mr. Alexander agreed with Dr. Reed. He doesn't want to pass a motion that may undercut any previous motion. Our budget includes what we expected to cover for security.

Mrs. Roche asked if Mrs. Leidlein had reached out to other board chairs. Mrs. Leidlein spoke to Mrs. Llodra who said staffing was in the Board of Selectman budget and they didn't need to have a motion and vote on it. She had stated, "We fully expect for costs for materials will rightly find way into municipal budget." She is fully prepared when the budget goes to the next level that her budget will be increased to meet costs.

Mrs. Leidlein also spoke with John Kortze who said that all are committed to making sure going forward in planning for other years there will be a committee with members of all boards to discuss funding. He also didn't feel we needed a motion at this time.

Mr. Vouros expressed his concern on where the money will come from if one of the budgets failed and the funds have to be removed. It can't be taken from security.

Ms. Hamilton said we have the \$511,000 that we will have access to for education purposes until it runs out. We heard we will have some excess money from this year between \$500,000 and \$600,000. There is also \$209,000 in grants. She was concerned that we don't see specific documentation that will cover the SSOs.

Dr. Reed said it was imperative we be the judge of how many armed guards we need. We are still in a transition time with sensitivity to this. We have to trust we aren't going to get into a situation where someone else knows best what we need.

Mrs. Roche asked to have Mrs. Llodra's letter and the motion written into the minutes.

MOTION: Mr. Alexander moved to adjourn. Mr. Vouros seconded. Motion passes unanimously.

Item 4 - Adjournment

The meeting adjourned at 7:30 p.m.

Respectfully submitted:

Kathy Hamilton
Secretary

BOE Security and Police Headcount

Security - BOE	2010-11 Expended	2011-12 Expended	2012-13 Approved	2012-13 Expended	2013-14 Current	2014-15 Requested
Director of Security	1	1	1	1	1	1
Hawley				2	2	2
Sandy Hook (Chalk Hill)					1	1
Middle Gate				3	2	2
Head O'Meadow				2	2	2
Reed Intermediate				2	2	2
Middle School				2	2	2
High School	3	3	3	6	6	6
<i>Total District Employees</i>	4	4	4	18	18	18
<i>Grants</i>					10	6
<u>Newtown Police / SRO / Monroe Police*</u>						
Hawley				1	1	
Sandy Hook (Chalk Hill)*				2	2	
Middle Gate				1	1	
Head O'Meadow				1	1	
Reed Intermediate	1	1	1	1	1	1
Middle School	1	1	1	1	1	1
High School	1	1	1	1	1	1
<i>Total Police Employees</i>	3	3	3	8	8	3
<u>Monroe Police - Entrance</u>	0	0	0	1	1	
	0	0	0	1	1	0
Total All Security Personnel	7	7	7	27	27	21

RE: Newtown BOE/ Town Health insurance Reserve fund contributions

To: Dr. John Reed , Schools Superintendent; Patricia Llodra, First Selectman; Bob Tait, Finance Director, Ron Bienkowski, BOE Business Director; Joe Spurgeon, Insurance consultant

Cc: John Kortze, Chair, Board of Finance; Mary Ann Jacob, Chair, Legislative Council; Debbie Leidlin, Chair, Board of Education; Jim Loring, Dan MacAloon, Donna Van Waaljik, Paul Smith

Date: February 11, 2014

I wish to share the results of the Employee Medical Benefits Board '14-'15 Health Insurance Reserve Fund determination. This determination is based on several factors, including but not limited to:

1. First, and foremost, the ordinance which created this board and governs its goals and actions
2. Current enrollment, past enrollment, and enrollment projections for plan participation during the 2014-2015 plan year
3. Negotiated Benefits provided under the health plans.
4. Medical trend, which is the inflation that is realized for medical insurance costs. While this has been historically low over the last 36 months, it is increasing, and will likely not remain as low as it has been.
5. Fluctuation of the reserve fund over time
6. Support for the flexibility to be able to choose to opt out of a self-funded platform, if desired at a future point in time.
7. Anthem's renewal calculation for the 2014-2015 plan year
8. The insurance industry expertise of the members of this board.

Reserve Fund Balance as of June 30			
2012	2013	2014	2014 reserve, plus additions
\$2,339,622	\$2,266,439	\$2,296,439	\$2,696,000
audited	audited	Forecast (as of 2/10/14)	400,000 of additions

Additional contributions required for the 2014-2015 plan year: \$400,000*

It is our determination that the current apportionment of costs between the BOE and town of Newtown is sufficient, in that the school employees represent approximately 76% of plan participants, and as such, contribute 76% of the plan costs. The Town, representing approximately 24% of the plan participants, share 24% of the plan costs.

We expect you will use the budget process to allocate these dollars, to sustain the soundness of this program over the next plan year. If you have significant changes to projections for plan participation or benefit levels, please let us know. Please feel free to contact me with any questions or concerns.

Respectfully,

Mark Mattioli, Chair, Employee Medical Benefits Board

* This is based on the boards' determination that the renewal provided on 2/10/14 was a worst case scenario. It projects '14-'15 plan costs of \$15.091 million, and recommends a reserve of \$3.509 million. If we used this renewal as the only basis, we would need to add \$1.2 million to the reserves. On 2/24, the insurance consultant will provide an updated renewal projection adding in the latest two months of claims, and perhaps there will be some nominal reductions in the administrative costs. I expect the updated renewal to project reserve additions closer to \$700-\$800k. We voted to deliver you the guidepost recommendation of \$400,000, to assist you in budgeting and move the reserve in the right direction to protect the health program and its participants. Please consider the \$400,000 recommendation as a floor.

SELF-FUNDED HEALTH INSURANCE FUND AND COMMITTEE ORDINANCE

§ 1 Title

This article shall be known and may be cited as the "Self-Funded Health Insurance Fund and Committee Ordinance".

§ 2 Creation of Fund and Committee

The Town of Newtown, hereinafter referred to as the "Town", by this Ordinance, authorizes the creation of the "Self-Funded Health Insurance Fund," hereinafter referred to as the "Fund," whose purpose is described below; and also authorizes the creation of the "Self-funded Health Insurance Fund Committee," hereinafter referred to as the "Committee" whose responsibilities are described below.

§ 3 Purpose of Fund

The purpose of this Fund is to hold funds to pay claims made by municipal and School District employees of the Town as required in fulfilling employee health insurance obligations of the Town of Newtown, and other such liabilities relating to those claims and obligations.

§ 4 Partner or Partners

For the purposes of this Ordinance it is the intention of the Town of Newtown to have the Board of Selectman and Board of Education, work collaboratively as "partner" or "partners," in connection with the Fund and the benefits paid by the Fund pursuant to the above paragraph.

§ 5 Responsibilities of the Committee

The Committee Shall:

- a. Serve the interests of the Municipal and Education departments of the Town.
- b. Recommend the level of annual or other contributions to the Fund by the Town and apportionment to each of the Partners, in consultation with the insurance consultant in his work with the insurance provider.
- c. Serve as an information bridge between the town insurance consultant and the Partners.
- d. Work with the Town and the insurance consultant as needed in any matters pertaining to health benefits.

§ 6 Members of Committee; Appointment; Terms of Office

- a. There shall be three volunteer members of the Committee, with a preference for those who have relevant expertise and knowledge in finance, healthcare, and/or insurance.
- b. Members shall be appointed by the First Selectman with the approval of the Board of Selectmen to serve a three year term. Initially, the First Selectman shall appoint one member for a one year term, one member for a two year term and one member for a three-year term.
- c. There shall be two alternates each appointed for a two-year term. The term of the alternates shall run from January 1 of the even year through December 31 of the ensuing year. If a regular member of the Committee is absent, the Chairman of the Committee shall designate an alternate to act in the absent

SELF-FUNDED HEALTH INSURANCE FUND AND COMMITTEE ORDINANCE

member's place, choosing the alternates in rotation so that they shall act as nearly equal a number of times as possible.

§ 7 Chairman; Clerk.

- a. The Committee shall elect a Chairman, to serve for a term of one year.
- b. The Chairman shall preside at meetings and public hearings.
- c. The Committee shall utilize a clerk whose responsibility is the taking of minutes at all meetings, typing and filing the same, and performing all other clerical or recording services for the Committee.

§ 8 Meetings

- a. The Committee shall meet quarterly and at other times as the Chairman deems necessary.
- b. The Chairman shall prepare an agenda prior to each meeting and distribute a copy to each Committee member.

§ 9 Self-Funded Health Insurance Fund

- a. The Fund exists only to pay healthcare claims and related expenses of the plan and shall not be used for any other purpose.
- b. The Fund will build a reasonable (not to exceed three months of payments) balance to ensure that claims of covered employees can be paid during a high claim year.
- c. Investments of the Fund balance will be made in accordance with the Town's investment policy.
- d. In the event the Fund is terminated, any balance shall revert back to the general fund of the Town (after all self insurance claims have been paid) and shall be used to defray the Partners' future health insurance costs and obligations.
- e. The Fund shall continue year to year without lapsing unless terminated by the Town.

§ 10 Severability

The provisions of this ordinance are declared to be severable and the invalidity of any portion thereof shall not affect the validity of the remainder.

Adopted by the Legislative Council January 19, 2011